

DOCKET SECTION

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BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 1997)
_____)

Docket No. R97-1

DIRECT TESTIMONY
OF
JOYCE McGARVY
ON BEHALF OF
AMERICAN BUSINESS PRESS

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December 30, 1997

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 1997)
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Docket No. R97-1

**DIRECT TESTIMONY OF JOYCE McGARVY
ON BEHALF OF AMERICAN BUSINESS PRESS**

1 My name is Joyce McGarvy. As Distribution Director for Crain Communications, Inc. I
2 am responsible for distribution of Crain's weekly, biweekly, and monthly publications. I also
3 serve as Industry Co-chair for the Postal Service's Periodicals Focus Group which serves the
4 Great/Lakes and Mid/West areas. I am Chairman of the Executive Committee for Red Tag News
5 Publications Association and Red Tag's representative to MTAC -- the Mailers Technical
6 Advisory Committee to the Postmaster General. I am a member of ABP's Postal and
7 Distribution Committee. I currently chair the Publication Watch MTAC work group and serve
8 on the Service Improvement MTAC work group, which was recently formed because of service
9 deterioration for Periodicals.

10 I have a degree in Transportation from the College of Advanced Traffic, Chicago, IL, a
11 Bachelor's Degree in Business Administration, from Cleary College, and a Master's of Science
12 in Administration degree from Central Michigan University.

13 Crain publishes a variety of weekly, bi-weekly, and monthly business, trade and

consumer newspapers and magazines. The principal publications produced under the Crain banner are:

<u>Weeklies</u>	<u>Circulation</u>	<u>Size</u>
Advertising Age	76,096	Tabloid
Automotive News	78,613	Tabloid
AutoWeek	293,052	Magazine
Business Insurance	51,817	Tabloid
Crain's Chicago Business	50,165	Tabloid
Crain's Cleveland Business	23,075	Tabloid
Crain's Detroit Business	34,723	Tabloid
Crain's New York Business	65,792	Tabloid
Electronic Media	26,291	Tabloid
Investment News	60,000	Tabloid
Modern Healthcare	83,608	Magazine
Plastics News	60,082	Tabloid
Radio Communications Report	31,532	Tabloid
Waste News	40,999	Tabloid
<u>Bi-Weeklies</u>	<u>Circulation</u>	<u>Size</u>
Automotive News Europe	23,625	Tabloid
Pensions & Investment	48,705	Tabloid
Rubber & Plastics News	15,757	Tabloid

1	Tire Business	14,005	Tabloid
2	<u>Monthlies</u>	<u>Circulation</u>	<u>Size</u>
3	Advertising Age's Creativity	22,866	Tabloid
4	Advertising Age's Business Marketing	29,708	Tabloid
5	Modern Physician	29,000	Magazine
6	<u>Bi-Monthlies</u>	<u>Circulation</u>	<u>Size</u>
7	Franchise Times	100,350	Tabloid

8 All these publications are important news vehicles to the industries and to the readers that they
9 serve.

10 My testimony will address two points: the first is the importance to Crain of reliable,
11 consistent delivery and the failure of the USPS to provide that reliable service; the second point
12 is the rate impact that increased per-piece rates for non-automated periodical flats have had on
13 Crain and other publishers because of delay by the USPS in deployment of flats sorters able to
14 sort all of the well known variety of shapes and sizes of periodicals, especially tabloids. Because
15 of poor service actually received by publishers, and because of the heavy per-piece increases
16 suffered by tabloids (including pieces sorted to five digits), I urge the Commission to approve the
17 USPS rate schedule as the best alternative available, and certainly to approve no periodical rates
18 higher than those filed by the USPS.

19 **PERIODICAL DELIVERY**

20 Periodical delivery is inconsistent and does not meet published delivery standards. The

1 on-time delivery of our publications is extremely important to Crain Communications.

2 Most of our publications have a very tight editorial close. In the case of the weeklies, the
3 Editorial Department is scheduled to complete the final pages at the close of the business day on
4 Friday. The printers receive the last forms around seven in the evening, and the binding and
5 mailing usually are completed by noon Saturday. The mail is deposited in the destination post
6 office by midnight Saturday. Crain, at its own expense, uses several modes of transportation to
7 as many as 34 post offices in the United States each Saturday to insure that weeklies are received
8 on time. It is expected that the subscriber will receive his or her issue Monday each week.

9 Timely and regular delivery is always important, but quite frequently the publication contains a
10 late breaking news story, and late delivery can have an especially negative impact on the story.

11 Crain understandably puts a great deal of emphasis on the delivery of its weekly
12 publications, but I would add that the news and in-depth analysis our editors create in our bi-
13 weeklies and monthlies is of equal importance and is equally deserving of on time delivery.
14 Because of the importance of service, Crain belongs to the Red Tag News Publications
15 Association, a national trade association that helps its membership obtain the best possible
16 delivery of their paid circulation and requester publications. The Association is well known to
17 USPS management. More than 25 years old, Red Tag operates one of the best known, and
18 perhaps the most sophisticated, delivery monitoring system in the industry. With more than 500
19 monitors, the Red Tag monitoring system tracks the delivery performance of publications
20 delivered through the Postal Service and other transportation and delivery systems. Besides
21 distributing consolidated reports to all its members, Red Tag also distributes its data to key

officials at Postal Service headquarters and to area representatives during Postal Forums.

I would like to share recent delivery results for the sixty-five publications monitored by Red Tag:

<u>Monitoring Period</u>	<u>On-Time</u>	<u>1Day Late</u>	<u>2Days Late</u>	<u>3+Days Late</u>
1/02/95-12/11/95	45%	28%	14%	12%
1/01/96-12/16/96	44%	26%	14%	16%
1/06/97-10/27/97	43%	24%	13%	19%

I find the data above to be alarming and, to put it mildly, this kind of service is not "high value." Not only is the on-time service eroding year after year, but nearly one out of five copies, many of which try to help themselves and the USPS by using multiple entry points, are 3+ days late. The data show not only that the late copies are increasing in number but also that the extent of lateness is increasing as well. The source documents for the above data are appended to my testimony.

I find the Postal Service's failure to maintain any performance evaluation system for periodicals very troubling. USPS witness O'Hara admitted in response to an ABP interrogatory (Transcript, page 111) that the Postal Service has not developed any nationally representative data on the days to delivery for periodicals, even though he set the price periodicals would pay in part on "service actually provided." Indeed, the USPS has no system that tracks in-office or in-home periodical delivery, and so the only information it has about actual service received is whatever monitoring system, like the Red Tag service, publishers maintain at their own expense.

In light of the attached data, and because of my frequent discussions with top distribution

1 managers for other publishing companies around the country, I am amazed that USPS witness
2 O'Hara thinks that periodicals have a "moderately high" value of service "in terms of intrinsic
3 service characteristics." (O'Hara testimony, pp.29-30.) Since the USPS knows from the Red Tag
4 reports and other input it regularly receives from individual publishers that periodical service is
5 below-par and getting worse, I do not understand the assumption that periodicals should pay
6 more postage for worse service.

7 I suppose that other witnesses using other classes of mail will also be making claims
8 about poor service, and that this hearing record can develop into a "mine is worse than yours"
9 scenario. I do not have statistics on Standard mail performance (and either, as I understand it,
10 does the Postal Service). I would stress, however, that late delivery of periodicals is a most
11 serious concern, because (unlike many other types of mail) most periodicals cannot be prepared
12 well in advance and lose much of their value if delivered even a couple of days late.

13 **AUTOMATION**

14 The discriminatory way that the USPS has implemented flats automation also calls for
15 restraint with respect to periodical rates in this case.

16 We are aware that mailer preparation along with USPS processing of the mail is vital to
17 timely delivery, and we do what we can given the nature of our product. In January of 1996
18 Crain purchased and implemented new presort software. The main reasons for this purchase
19 were to obtain the best possible presort and to comply with the July 1, 1996 changes in presort,
20 sack and pallet tags rules, changes in postal statement forms and other changes associated with

1 "Classification Reform." The new software allows us to presort some of our mail to the carrier
2 route. However, the amount of carrier route sorts is limited, because most of our publications
3 are distributed nationally and have relatively small circulation, like most national publications.

4 We all know that on September 20, 1992, a barcode discount was implemented for flat
5 mailpieces meeting the automation requirement. As the list of our periodicals demonstrates,
6 most of the Crain publications are tabloid size publications. They therefore do not meet the
7 height requirements for automation compatibility on present USPS equipment. An ABP member
8 survey this year indicates that its respondents alone could have barcoded an additional roughly
9 240 million pieces annually, and there would obviously be additional volumes from non-
10 respondents and non-members.

11 Indeed, I understand that a group of associations (including ABP) and companies advised
12 the Postal Service that more than 430 million additional barcoded flats annually could be
13 processed by the yet to be deployed FSM 1000s equipped with barcode readers. I think that even
14 this number must understate the potential added barcoded flats volumes that USPS can expect,
15 since the survey of the mailing industry had relatively few respondents. Automated handling of
16 these volumes will cut postal costs significantly, and ought to prevent USPS from again having
17 to profess disappointment, as witness Moden did when he said that "Participation in flats
18 barcoding has been below expectations." Direct Testimony of USPS Witness Moden,
19 USPS-T-4, p. 11.

20 In contrast, Witness Moden describes the progress the USPS has made in barcoding
21 letters, where approximately 87% of total incoming secondary letters at processing facilities are

1 in automated operations, as contrasted with only 28% of non-carrier route flats. Periodicals have
2 had the greatest difficulty with the size limitations imposed by USPS automation preparation
3 rules. For example Witness Moden replied to an ABP interrogatory (transcript, page 5622) that
4 the percentage growth in barcoded flat mail through AP/9, FY 1997, compared with the same
5 period in FY 1996, was 250% for First class, 50.8% for Standard mail, and only 21.6% for
6 Periodicals. I believe this disparity between the classes exists because, unlike First class and
7 Standard mail, a significant number of Periodicals are tabloid sized or newspapers. This is an
8 obvious fact that the USPS should have, but did not, take into account when it purchased the
9 FSM 881 flats sorters, which are incompatible with the sizes of tabloids, newspapers, digest and
10 other kinds of common periodicals.

11 While I am hopeful the FSM 1000 will allow tabloids to become automation compatible,
12 I am concerned that the USPS has not set a time for tabloids to be eligible for the barcode
13 discount, and that the Governors authorized purchase of barcode readers for the FSM 1000 only
14 at their recent December 2, 1997 meeting. In any event, tabloids apparently will be mechanically
15 sorted on the FSM 1000 over the next year, and we hope that their barcodes will soon allow
16 further cost avoidance. We certainly hope that tabloids will be less expensive to handle and will
17 become eligible for a barcode discount by the time the new rates go into effect. However, since
18 USPS has proposed only a partial passthrough of processing savings through the discount, there
19 is an incentive for the USPS to purchase barcode readers promptly and enjoy productivity gains
20 while offering the discount.

1 RATE IMPACT OF AUTOMATION RESTRICTIONS

2 Because of the rate increases of 1996 (resulting from "Classification Reform"), which
3 impacted especially heavily on non-automated rates, Crain's annual postage increased by 5.5
4 percent, which amounts to nearly \$500,000.

5 In the rate changes since the most recent "general" rate case in 1994, it is the non-
6 automated per-piece rates that have been increased the most, even if those non-automated pieces
7 were sorted to five digits or unique three digit zip codes. The 3/5 digit per piece rate went up
8 10.4% when the reclassification case rates were imposed last year, and USPS would raise rates
9 for these presorted pieces by another 7.4% for 3 digit sorted pieces and 5.9% for five digit sorted
10 pieces if the rates proposed in this case are approved. As for basic pieces (the least presorted
11 pieces), the non-automated per-piece rates went up 3.5% in the reclassification aftermath, and
12 would go up yet another 9.6% under the current USPS proposal. According to its witnesses in
13 this case, USPS considers increases over 10% to cause "rate shock" and strove to keep the
14 overall rate increases well below 10%. Crain and other tabloid publishers have come to know
15 rate shock quite well. We have paid far higher than average increases because of the tardiness in
16 deployment of equipment that could have saved USPS and publishers enormous expense.

17 Crain and other publishers told the USPS as far back as 1992 that we would be willing to
18 barcode tabloids. Because of the poor service received by Periodicals, and because many
19 publishers incurred such a heavy hit as a result of the rate changes caused by Docket MC95-1,
20 the rates proposed by the USPS should be the maximum recommended by the PRC.

RED TAG NEWS PUBLICATIONS ASSOCIATION
CONSOLIDATED ENTRY STATISTICS
FOR PERIOD 1/01/96 - 12/16/96

DATE RUN 11/13/97
PG # 1

			Monitors Reports	On Time	1 Day Late	2 Day Late	3 + Late	On Time %	1 Day Late %	2 Day Late %	3 + Late %
Entry:			20	2	5	1	12	10%	25%	5%	60%
Total			20	2	5	1	12	10%	25%	5%	60%
00	Entry: AD	NEW YORK, NY	177	157	15	3	2	89%	8%	2%	1%
91	Entry: AD	PHILADELPHIA, PA	59	41	9	6	4	69%	14%	10%	7%
00	Entry: AD	WASHINGTON, DC	84	51	15	8	10	61%	18%	10%	12%
03	Entry: AD	ATLANTA, GA	46	23	21	2	0	50%	46%	4%	0%
00	Entry: AD	LOS ANGELES, CA	167	121	21	18	7	72%	13%	11%	4%
41	Entry: AD	SAN FRANCISCO, CA	54	5	44	4	1	9%	81%	7%	2%
AD Total			587	398	124	41	24	66%	21%	7%	6%
00	Entry: ND	NEW YORK, NY	188	146	15	14	13	78%	8%	7%	7%
52	Entry: ND	PITTSBURGH, PA	49	23	23	1	2	47%	47%	2%	4%
10	Entry: ND	BALTIMORE, MD	127	93	21	5	8	73%	17%	4%	6%
41	Entry: ND	CLEVELAND, OH	48	25	14	5	4	52%	29%	10%	8%
52	Entry: ND	CINCINNATI, OH	27	27	0	0	0	100%	0%	0%	0%
32	Entry: ND	DETROIT, MI	44	40	1	0	3	91%	2%	0%	7%
06	Entry: ND	CHICAGO, IL	89	81	3	4	1	91%	3%	4%	1%
72	Entry: ND	PORTLAND, OR	67	45	15	5	2	67%	22%	7%	3%
31	Entry: ND	SEATTLE, WA	47	9	13	11	14	19%	28%	23%	30%
ND Total			686	489	105	45	47	69%	18%	7%	6%
10	Entry: NW	WASHINGTON, DC	137	106	14	9	8	77%	10%	7%	6%
NW Total			137	106	14	9	8	70%	17%	7%	6%
1	Entry: PO	SPRINGFIELD, MA	544	268	155	30	91	49%	28%	6%	17%
6	Entry: PO	WORCESTER, MA	91	72	13	5	1	79%	14%	5%	1%
9	Entry: PO	MIDDLESEX-ESSEX, MA	41	33	7	0	1	80%	17%	0%	2%
1	Entry: PO	AMP BOSTON	3877	1681	1164	550	482	43%	30%	14%	12%
1	Entry: PO	HARTFORD, CT	600	319	221	35	25	53%	37%	6%	4%
5	Entry: PO	NEW HAVEN, CT	98	50	31	6	11	51%	32%	6%	11%
9	Entry: PO	STAMFORD, CT	224	163	38	16	7	73%	17%	7%	3%
Total			6913	3582	1881	739	711	52%	27%	11%	10%

Attachment to
Direct Testimony of Joyce McGarvy
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NOV 18 '97 11:23 FR GRAIN COMMUNICATIONS 313 446 1650 TO 914109929540

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Montitors	On	1 Day	2 Day	3 +	Time	1 Day	2 Day	3 +	On	1 Day	2 Day	3 +
NEWARK, NJ	1271	438	486	144	203	348	388	118	168	218	258	368
AMF NEWARK, NJ	217	60	73	38	46	288	348	188	238	288	368	498
PATTERSON, NJ	37	6	7	6	18	168	198	168	198	248	318	428
NEW BRUNSWICK, NJ	118	72	34	8	4	618	298	78	388	438	528	658
NEW YORK, NY	8296	4419	1933	1035	909	538	238	128	138	178	228	288
MT. VERNON, NY	798	296	302	103	97	378	388	138	168	218	268	338
QUEENS, NY	13	8	4	1	0	628	318	88	108	138	168	208
BROOKLYN, NY	13	3	3	3	4	238	238	128	158	208	258	318
FLUSHING, NY	237	136	57	28	16	578	248	128	158	208	258	318
HICKSVILLE, NY	148	118	17	9	4	808	118	68	88	118	148	188
ALBANY, NY	20	8	1	6	5	408	58	308	358	408	458	508
BUFFALO, NY	513	167	109	123	114	338	218	168	218	268	318	368
AMF PITTSBURGH, PA	992	801	156	26	9	818	168	38	48	58	68	78
HARRISBURG, PA	516	249	146	66	55	488	288	138	168	218	268	318
EASTON, PA	1108	231	267	217	393	218	248	208	238	288	338	388
PHILADELPHIA, PA	4379	2079	1097	601	602	478	258	148	178	228	278	328
SOUTHEASTERN PA	146	71	50	10	15	498	348	78	98	128	158	188
WILMINGTON, DE	86	52	25	7	2	608	298	88	108	138	168	208
WASHINGTON, DC	3334	1822	781	339	392	558	238	108	128	158	188	218
GAITHERSBURG, MD	44	4	13	10	17	98	308	238	288	338	388	438
BALTIMORE, MD	431	156	137	82	56	368	328	198	228	278	328	378
NORTHERN VA	1352	792	307	128	125	598	238	98	118	148	178	208
MERRIFIELD, VA	185	51	58	39	37	288	238	218	248	298	348	398
GREENSBORO, NC	170	61	62	18	29	368	368	118	148	178	208	238
RALEIGH, NC	620	287	200	76	57	468	328	128	158	188	218	248
AMF CHARLOTTE, NC	177	38	60	35	44	348	218	208	238	288	338	388
NORTH METRO, GA	302	143	87	32	40	478	298	118	148	178	208	238
ATLANTA, GA	3458	1067	938	531	922	318	278	158	188	218	248	278
AMF JACKSONVILLE, FL	344	193	80	26	45	568	238	88	108	138	168	208
AMF ORLANDO, FL	1522	382	427	304	409	258	288	208	238	288	338	388
AMF MIAMI, FL	1735	435	418	357	525	258	248	218	248	298	348	398
WEST PALM BEACH, FL	25	5	9	2	9	208	368	88	108	138	168	208
TAMPA, FL	414	205	126	44	39	508	308	118	148	178	208	238
Ocala, FL	13	2	6	4	1	158	468	318	368	418	468	518
HIRSINGHAM, AL	285	50	101	74	60	188	358	268	298	348	398	448
NASHVILLE, TN	530	140	125	128	137	268	248	218	248	298	348	398

RED TAG NEWS PUBLICATIONS ASSOCIATION
CONSOLIDATED ENTRY STATISTICS
FOR PERIOD 1/01/96 - 12/16/96

DATE RUN 11/13/97

PG # 3

			Monitors	On	1 Day	2 Day	3 +	On	1 Day	2 Day	3 +
			Reports	Time	Late	Late	Late	Time %	Late %	Late %	Late %
			-----	-----	-----	-----	-----	-----	-----	-----	-----
91	Entry: PO	MEMPHIS, TN	496	185	172	80	59	37%	35%	16%	12%
02	Entry: PO	LOUISVILLE, KY	9	3	0	3	3	33%	0%	33%	33%
10	Entry: PO	COVINGTON, KY	1125	230	200	209	486	20%	18%	19%	43%
41	Entry: PO	AMF CLEVELAND, OH	499	341	113	13	32	68%	23%	3%	6%
52	Entry: PO	CINCINNATI, OH	2376	777	669	449	481	33%	28%	19%	20%
52	Entry: PO	INDIANAPOLIS, IN	19	1	3	8	7	5%	16%	42%	37%
32	Entry: PO	DETROIT, MI	1514	756	352	167	239	50%	23%	11%	16%
31	Entry: PO	ELKHORN, WI	681	199	233	104	145	29%	34%	15%	21%
32	Entry: PO	AMF MILWAUKEE, WI	169	102	25	18	24	60%	15%	11%	14%
35	Entry: PO	WATERLOO, WI	1042	568	312	108	54	55%	30%	10%	5%
31	Entry: PO	ST. PAUL, MN	585	222	187	108	68	38%	32%	18%	12%
00	Entry: PO	PALATINE, IL	1021	598	213	113	97	59%	21%	11%	10%
01	Entry: PO	CAROL STREAM, IL	2970	1045	960	481	484	35%	32%	16%	16%
04	Entry: PO	SOUTH SUBURBAN, IL	834	361	206	89	178	43%	25%	11%	21%
06	Entry: PO	CHICAGO, IL	13677	4898	3431	2305	3043	36%	25%	17%	22%
01	Entry: PO	AMF ST. LOUIS, MO	527	290	135	60	42	55%	26%	11%	8%
01	Entry: PO	KANSAS CITY, MO	1486	237	255	281	713	16%	17%	19%	48%
01	Entry: PO	AMF NEW ORLEANS, LA	479	138	196	66	79	29%	41%	14%	16%
01	Entry: PO	OKLAHOMA CITY, OK	38	10	19	1	8	26%	50%	3%	21%
01	Entry: PO	AMF TULSA, OK	414	88	148	80	98	21%	36%	19%	24%
02	Entry: PO	DALLAS, TX	3384	899	1169	640	676	27%	35%	19%	20%
0	Entry: PO	AMF HOUSTON, TX	1901	795	588	266	252	42%	31%	14%	13%
02	Entry: PO	AMF DENVER, CO	2857	1615	723	276	243	57%	25%	10%	9%
1	Entry: PO	SALT LAKE CITY, UT	63	14	27	9	13	22%	43%	14%	21%
0	Entry: PO	AMF PHOENIX, AZ	829	255	288	147	139	31%	35%	18%	17%
0	Entry: PO	AMF LOS ANGELES, CA	6827	3531	1568	864	864	52%	23%	13%	13%
03	Entry: PO	INGLEWOOD, CA	467	231	141	49	46	49%	30%	10%	10%
8	Entry: PO	LONG BEACH, CA	96	69	19	5	3	72%	20%	5%	3%
1	Entry: PO	PASADENA, CA	180	113	53	7	7	63%	29%	4%	4%
4	Entry: PO	VAN NUYS, CA	391	295	77	11	8	75%	20%	3%	2%
8	Entry: PO	ALHAMBRA, CA	178	147	22	6	3	83%	12%	3%	2%
1	Entry: PO	SAN DIEGO, CA	180	134	41	2	3	74%	23%	1%	2%
7	Entry: PO	SANTA ANA, CA	121	91	20	6	4	75%	17%	5%	3%
1	Entry: PO	AMF SAN FRANCISCO, CA	4801	2762	1166	486	387	58%	24%	10%	8%
6	Entry: PO	OAKLAND, CA	456	266	125	27	38	59%	27%	6%	8%
9	Entry: PO	NORTH BAY, CA	142	116	19	2	5	82%	13%	1%	4%
Total			93590	41012	24454	12944	15180	44%	26%	14%	16%

Attachment to
Direct Testimony of Joyce McGarvey
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NOV 18 '97 11:25 FR CRAIN COMMUNICATIONS 313 446 1650 TO 914109929540

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RED TAG NEWS PUBLICATIONS ASSOCIATION
CONSOLIDATED ENTRY STATISTICS
FOR PERIOD 1/01/96 - 12/16/96

DATE RUN 11/13/97
PG # 4

			Monitors	On	1 Day	2 Day	3 +	On	1 Day	2 Day	3 +
			Reports	Time	Late	Late	Late	Time %	Late %	Late %	Late %
			-----	-----	-----	-----	-----	-----	-----	-----	-----
51	Entry: PO	SAN JOSE, CA	447	253	138	38	18	57%	31%	9%	4%
68	Entry: PO	HONOLULU, HI	149	43	36	31	39	29%	24%	21%	26%
72	Entry: PO	PORTLAND, OR	225	76	88	40	21	34%	39%	18%	9%
81	Entry: PO	AMF SEATTLE, WA	2712	1305	875	331	201	48%	32%	12%	7%
	PO	Total	95691	41692	25343	13288	15368	44%	26%	14%	16%

Attachment to
Direct Testimony of Joyce McGarvy
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Total	97121	42687	25591	13384	15459	44%	26%	14%	16%
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(ABP-T-2)

RED TAG NEWS PUBLICATIONS ASSOCIATION
CONSOLIDATED ENTRY STATISTICS
FOR PERIOD 1/06/97 - 10/27/97

DATE RUN 11/13/97
PG # 1

			Monitors Reports	On Time	1 Day Late	2 Day Late	3 + Late	On Time	1 Day Late	2 Day Late	3 + Late
Entry:			95	58	20	11	6	61%	21%	12%	6%
	Total		95	58	20	11	6	61%	21%	12%	6%
00	Entry: AD	NEW YORK, NY	117	107	5	2	3	91%	4%	2%	3%
91	Entry: AD	PHILADELPHIA, PA	50	44	5	1	0	88%	10%	2%	0%
00	Entry: AD	WASHINGTON, DC	80	75	4	0	1	94%	5%	0%	1%
03	Entry: AD	ATLANTA, GA	52	45	6	1	0	87%	12%	2%	0%
00	Entry: AD	LOS ANGELES, CA	65	56	4	3	2	86%	6%	5%	3%
	AD	Total	364	327	24	7	6	84%	10%	4%	3%
00	Entry: ND	NEW YORK, NY	144	103	11	17	13	72%	8%	12%	9%
52	Entry: ND	PITTSBURGH, PA	42	19	18	5	0	45%	43%	12%	0%
10	Entry: ND	BALTIMORE, MD	113	75	22	7	9	66%	19%	6%	8%
41	Entry: ND	CLEVELAND, OH	42	13	21	4	4	31%	50%	10%	10%
82	Entry: ND	DETROIT, MI	32	29	2	0	1	91%	6%	0%	3%
06	Entry: ND	CHICAGO, IL	65	61	3	0	1	94%	5%	0%	2%
72	Entry: ND	PORTLAND, OR	57	42	9	3	3	74%	16%	5%	5%
81	Entry: ND	SEATTLE, WA	36	12	9	7	8	33%	25%	19%	22%
	ND	Total	531	354	95	43	39	75%	14%	6%	5%
00	Entry: NW	WASHINGTON, DC	96	73	12	6	5	76%	13%	6%	5%
	NW	Total	96	73	12	6	5	75%	14%	6%	5%
11	Entry: PO	SPRINGFIELD, MA	491	277	103	52	59	56%	21%	11%	12%
16	Entry: PO	WORCESTER, MA	77	71	6	0	0	92%	8%	0%	0%
11	Entry: PO	BOSTON, MA	3063	1323	852	454	434	43%	28%	15%	14%
11	Entry: PO	HARTFORD, CT	572	233	229	79	31	41%	40%	14%	5%
15	Entry: PO	NEW HAVEN, CT	79	62	16	1	0	78%	20%	1%	0%
19	Entry: PO	STAMFORD, CT	299	259	29	5	6	87%	10%	2%	2%
10	Entry: PO	NEWARK, NJ	1312	710	331	113	158	54%	25%	9%	12%
11	Entry: PO	AMF NEWARK, NJ	210	93	67	20	30	44%	32%	10%	14%
9	Entry: PO	NEW BRUNSWICK, NJ	131	74	39	15	3	56%	30%	11%	2%
	Total		7329	3920	1423	807	779	53%	25%	11%	11%

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NOV 18 '97 11:26 FR CRAIN COMMUNICATIONS 313 446 1650 TO 914109929540

P.10

RED TAG NEWS PUBLICATIONS ASSOCIATION
CONSOLIDATED ENTRY STATISTICS
FOR PERIOD 1/06/97 - 10/27/97

DATE RUN 11/12/97
PG # 2

			Monitors Reports	On Time	1 Day Late	2 Day Late	3 + Late	On Time	1 Day Late	2 Day Late	3 + Late
00	Entry: PO	NEW YORK, NY	6646	3629	1469	743	805	55%	22%	11%	12%
05	Entry: PO	MT. VERNON, NY	669	353	195	66	55	53%	29%	10%	8%
13	Entry: PO	FLUSHING, NY	217	161	26	14	16	74%	12%	6%	7%
18	Entry: PO	HICKSVILLE, NY	160	110	37	11	2	69%	23%	7%	1%
22	Entry: PO	ALBANY, NY	40	6	13	13	8	15%	33%	33%	20%
42	Entry: PO	BUFFALO, NY	7226	4869	1044	465	848	67%	14%	6%	12%
52	Entry: PO	AMP PITTSBURGH, PA	786	555	180	38	13	71%	23%	5%	2%
71	Entry: PO	HARRISBURG, PA	377	143	114	61	59	38%	30%	16%	16%
80	Entry: PO	EASTON, PA	988	205	158	188	437	21%	16%	19%	44%
91	Entry: PO	PHILADELPHIA, PA	3541	1517	938	500	586	43%	26%	14%	17%
93	Entry: PO	SOUTHEASTERN PA	81	41	33	6	1	51%	41%	7%	1%
98	Entry: PO	WILMINGTON, DE	76	36	32	3	5	47%	42%	4%	7%
00	Entry: PO	WASHINGTON, DC	2979	1753	629	258	339	59%	21%	9%	11%
10	Entry: PO	BALTIMORE, MD	406	204	96	57	49	50%	24%	14%	12%
20	Entry: PO	NORTHERN VA	1206	758	250	91	107	63%	21%	8%	9%
21	Entry: PO	MERRIFIELD, VA	146	66	29	29	22	45%	20%	20%	15%
74	Entry: PO	GREENSBORO, NC	352	97	87	52	116	28%	25%	15%	33%
76	Entry: PO	RALEIGH, NC	610	227	190	87	106	37%	31%	14%	17%
82	Entry: PO	AMP CHARLOTTE, NC	238	37	61	51	89	16%	26%	21%	37%
00	Entry: PO	NORTH METRO, GA	292	114	75	40	63	39%	26%	14%	22%
03	Entry: PO	ATLANTA, GA	2968	642	685	505	1136	22%	23%	17%	38%
22	Entry: PO	AMP JACKSONVILLE, FL	334	160	81	33	60	48%	24%	10%	18%
28	Entry: PO	AMP ORLANDO, FL	980	176	267	210	327	18%	27%	21%	33%
31	Entry: PO	MIAMI, FL	1363	262	259	211	631	19%	19%	15%	46%
36	Entry: PO	TAMPA, FL	325	107	89	64	65	33%	27%	20%	20%
52	Entry: PO	BIRMINGHAM, AL	300	48	65	68	119	16%	22%	23%	40%
72	Entry: PO	NASHVILLE, TN	628	160	120	141	207	25%	19%	22%	33%
81	Entry: PO	MEMPHIS, TN	578	223	180	100	75	39%	31%	17%	13%
02	Entry: PO	LOUISVILLE, KY	36	13	9	6	8	36%	25%	17%	22%
10	Entry: PO	COVINGTON, KY	385	60	55	61	209	16%	14%	16%	54%
41	Entry: PO	AMP CLEVELAND, OH	488	313	102	28	45	64%	21%	6%	9%
52	Entry: PO	CINCINNATI, OH	1950	471	359	362	758	24%	18%	19%	39%
62	Entry: PO	INDIANAPOLIS, IN	149	21	37	27	64	14%	25%	18%	43%
82	Entry: PO	DETROIT, MI	1476	688	363	188	237	47%	25%	13%	16%
11	Entry: PO	ELKHORN, WI	578	211	176	98	93	37%	30%	17%	16%
32	Entry: PO	AMP MILWAUKEE, WI	289	160	65	24	40	55%	22%	8%	14%
Total			47205	22517	10399	5710	8579	48%	22%	12%	18%

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NOV 18 '97 11:27 FR CRAIN COMMUNICATIONS 313 446 1650 TO 914109929540

P.11

RED TAG NEWS PUBLICATIONS ASSOCIATION
CONSOLIDATED ENTRY STATISTICS
FOR PERIOD 1/06/97 - 10/27/97

DATE RUN 11/13/97
PG # 3

			Monitors	On	1 Day	2 Day	3 +	On	1 Day	2 Day	3 +
			Reports	Time	Late	Late	Late	Time %	Late %	Late %	Late %
			-----	-----	-----	-----	-----	-----	-----	-----	-----
535	Entry: PO	WATERLOO, WI	892	470	238	103	81	53%	27%	12%	9%
551	Entry: PO	ST. PAUL, MN	723	242	229	131	121	33%	32%	18%	17%
600	Entry: PO	WOODSTOCK, IL	835	375	206	120	134	45%	25%	14%	16%
601	Entry: PO	FOREST PARK, IL	2362	648	740	433	541	27%	31%	18%	23%
604	Entry: PO	SOUTH SUBURBAN, IL	693	311	165	63	154	45%	24%	9%	22%
606	Entry: PO	CHICAGO, IL	10713	3485	2641	1820	2767	33%	25%	17%	26%
631	Entry: PO	AMF ST. LOUIS, MO	559	294	150	45	70	53%	27%	8%	13%
641	Entry: PO	KANSAS CITY, MO	1410	331	220	216	643	23%	16%	15%	46%
671	Entry: PO	ALBUQUERQUE, NM	47	27	15	3	2	57%	32%	6%	4%
701	Entry: PO	NEW ORLEANS, LA	652	173	206	72	201	27%	32%	11%	31%
731	Entry: PO	OKLAHOMA CITY, OK	41	8	16	10	7	20%	39%	24%	17%
741	Entry: PO	AMF TULSA, OK	434	47	158	76	153	11%	36%	18%	35%
752	Entry: PO	DALLAS, TX	2840	698	768	604	770	25%	27%	21%	27%
770	Entry: PO	AMF HOUSTON, TX	1774	665	610	256	243	37%	34%	14%	14%
802	Entry: PO	DENVER, CO	2392	975	744	356	317	41%	31%	15%	13%
841	Entry: PO	SALT LAKE CITY, UT	462	180	139	77	66	39%	30%	17%	14%
850	Entry: PO	PHOENIX, AZ	594	135	151	130	178	23%	25%	22%	30%
900	Entry: PO	LOS ANGELES, CA	5584	2886	1375	611	712	52%	25%	11%	13%
903	Entry: PO	INGLEWOOD, CA	348	184	71	22	71	53%	20%	6%	20%
908	Entry: PO	LONG BEACH, CA	19	10	7	2	0	53%	37%	11%	0%
911	Entry: PO	PASADENA, CA	97	53	31	4	9	55%	32%	4%	9%
913	Entry: PO	SANTA CLARITA, CA	10	6	3	0	1	60%	30%	0%	10%
914	Entry: PO	VAN NUYS, CA	299	209	59	25	6	70%	20%	8%	2%
918	Entry: PO	ALHAMBRA, CA	106	91	12	2	1	86%	11%	2%	1%
921	Entry: PO	SAN DIEGO, CA	187	153	22	9	3	82%	12%	5%	2%
927	Entry: PO	SANTA ANA, CA	49	16	18	9	6	33%	37%	18%	12%
941	Entry: PO	SAN FRANCISCO, CA	3291	1585	889	383	434	48%	27%	12%	13%
946	Entry: PO	OAKLAND, CA	515	291	133	36	55	57%	26%	7%	11%
949	Entry: PO	NORTH BAY, CA	146	97	28	7	14	66%	19%	5%	10%
951	Entry: PO	SAN JOSE, CA	256	96	87	38	35	38%	34%	15%	14%
968	Entry: PO	HONOLULU, HI	176	48	65	14	29	27%	37%	19%	16%
972	Entry: PO	PORTLAND, OR	365	192	112	44	17	53%	31%	12%	5%
981	Entry: PO	SEATTLE, WA	2448	770	843	481	354	31%	34%	20%	14%
	PO	Total	87416	37449	21391	11860	16716	43%	24%	13%	19%
		Total	88502	38261	21542	11927	16772	43%	24%	13%	19%

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NOV 18 '97 11:27 FR ORAIN COMMUNICATIONS 313 446 1650 TO 914109325540

P.12

RED TAG NEWS PUBLICATIONS ASSOCIATION
CONSOLIDATED ENTRY STATISTICS
FOR PERIOD 1/02/95 - 12/11/95

DATE RUN 11/13/97
PG 1 1

			Monitors Reports	On Time	1 Day Late	2 Day Late	3 + Late	On Time	1 Day Late	2 Day Late	3 + Late
100	Entry: AD	NEW YORK, NY	99	82	9	8	0	83%	9%	8%	0%
191	Entry: AD	PHILADELPHIA, PA	17	18	9	6	4	49%	24%	16%	11%
200	Entry: AD	WASHINGTON, DC	104	84	12	5	3	81%	12%	5%	3%
103	Entry: AD	ATLANTA, GA	55	31	10	2	3	58%	13%	4%	5%
131	Entry: AD	MIAMI	17	16	1	0	0	94%	6%	0%	0%
482	Entry: AD	DETROIT, MI	13	1	3	6	3	8%	23%	46%	23%
752	Entry: AD	DALLAS, TX	11	2	4	5	0	18%	36%	45%	0%
900	Entry: AD	LOS ANGELES, CA	121	79	22	16	4	65%	18%	13%	3%
		AD Total	457	314	78	48	17	69%	17%	11%	4%
100	Entry: ND	NEW YORK, NY	327	243	53	18	13	74%	16%	6%	4%
152	Entry: ND	PITTSBURGH, PA	48	28	13	7	0	58%	27%	15%	0%
210	Entry: ND	BALTIMORE, MD	111	90	15	4	2	81%	14%	4%	2%
441	Entry: ND	CLEVELAND, OH	46	33	22	9	2	28%	48%	20%	4%
452	Entry: ND	CINCINNATI, OH	43	40	1	2	0	93%	2%	5%	0%
482	Entry: ND	DETROIT, MI	49	47	2	0	0	96%	4%	0%	0%
606	Entry: ND	CHICAGO, IL	170	116	38	13	3	68%	22%	8%	2%
900	Entry: ND	LOS ANGELES, CA	34	24	4	3	1	71%	12%	9%	9%
172	Entry: ND	PORTLAND, OR	87	62	19	5	1	71%	22%	6%	1%
181	Entry: ND	SEATTLE, WA	1	1	0	0	0	100%	0%	0%	0%
		ND Total	914	664	167	61	24	71%	18%	8%	1%
200	Entry: NW	WASHINGTON, DC	138	100	23	6	9	72%	17%	4%	7%
		NW Total	138	100	23	6	9	71%	18%	8%	3%
011	Entry: PO	SPRINGFIELD, MA	431	245	134	29	23	57%	31%	7%	5%
016	Entry: PO	WORCESTER, MA	91	65	22	4	0	71%	24%	4%	0%
019	Entry: PO	MIDDLESEX-ESSEX, MA	73	59	10	3	1	81%	14%	4%	1%
021	Entry: PO	BOSTON, MA	4223	2027	1334	523	339	48%	32%	12%	8%
061	Entry: PO	HARTFORD, CT	493	228	146	68	51	46%	30%	14%	10%
065	Entry: PO	NEW HAVEN, CT	106	39	47	12	8	37%	44%	11%	8%
069	Entry: PO	STAMFORD, CT	217	172	26	6	13	79%	12%	3%	6%
070	Entry: PO	NEWARK, NJ	1279	509	425	174	165	40%	33%	14%	13%
		Total	8422	4422	2413	934	653	53%	29%	11%	8%

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NOV 18 '97 11:28 FR CRAIN COMMUNICATIONS 313 446 1650 TO 914189925540

P.13

RED TAG NEWS PUBLICATIONS ASSOCIATION
CONSOLIDATED ENTRY STATISTICS
FOR PERIOD 1/02/95 - 12/11/95

DATE RUN 11/12/97
PG # 2

			Monitors	On	1 Day	2 Day	3 +	On	1 Day	2 Day	3 +
			Reports	Time	Late	Late	Late	Time %	Late %	Late %	Late %
			-----	-----	-----	-----	-----	-----	-----	-----	-----
071	Entry: PO	AMF NEWARK, NJ	642	253	190	101	98	39%	30%	16%	15%
089	Entry: PO	NEW BRUNSWICK, NJ	106	47	51	4	4	44%	48%	4%	4%
100	Entry: PO	NEW YORK, NY	10764	5359	2950	1336	1119	50%	27%	12%	10%
105	Entry: PO	MT. VERNON, NY	844	353	315	96	80	42%	37%	11%	9%
113	Entry: PO	FLUSHING, NY	270	196	52	12	10	73%	19%	4%	4%
118	Entry: PO	HICKSVILLE, NY	298	145	126	18	9	49%	42%	6%	3%
142	Entry: PO	BUFFALO, NY	432	160	76	120	76	37%	18%	28%	18%
152	Entry: PO	PITTSBURGH, PA	660	518	112	25	5	78%	17%	4%	1%
171	Entry: PO	HARRISBURG, PA	465	175	149	75	66	38%	32%	16%	14%
180	Entry: PO	EASTON, PA	1137	185	283	270	399	16%	25%	24%	35%
191	Entry: PO	PHILADELPHIA, PA	4754	2379	1284	605	486	50%	27%	13%	10%
193	Entry: PO	SOUTHEASTERN PA	95	56	30	5	4	59%	32%	5%	4%
200	Entry: PO	WASHINGTON, DC	3266	1803	729	403	331	55%	22%	12%	10%
210	Entry: PO	BALTIMORE, MD	304	126	113	35	30	41%	37%	12%	10%
220	Entry: PO	NORTHERN VA	1461	744	431	162	124	51%	30%	11%	8%
221	Entry: PO	MERRIFIELD, VA	153	80	36	23	14	52%	24%	15%	9%
232	Entry: PO	RICHMOND, VA	87	17	28	18	24	20%	32%	21%	28%
274	Entry: PO	GREENSBORO, NC	2593	1935	288	218	152	75%	11%	8%	6%
276	Entry: PO	RALEIGH, NC	694	362	202	72	58	52%	29%	10%	8%
282	Entry: PO	AMF CHARLOTTE, NC	44	11	19	10	4	25%	43%	23%	9%
300	Entry: PO	NORTH METRO, GA	340	152	127	44	17	45%	37%	13%	5%
303	Entry: PO	AMF ATLANTA, GA	4427	1671	1266	712	778	38%	29%	16%	18%
322	Entry: PO	JACKSONVILLE, FL	198	83	60	21	34	42%	30%	11%	17%
328	Entry: PO	AMF ORLANDO, FL	883	330	328	136	89	37%	37%	15%	10%
331	Entry: PO	MIAMI, FL	2193	778	677	374	364	35%	31%	17%	17%
336	Entry: PO	TAMPA, FL	224	121	63	30	10	54%	28%	13%	4%
352	Entry: PO	BIRMINGHAM, AL	234	25	70	78	61	11%	30%	33%	26%
372	Entry: PO	NASHVILLE, TN	465	193	167	65	40	42%	36%	14%	9%
381	Entry: PO	MEMPHIS, TN	332	134	76	64	58	40%	23%	19%	17%
410	Entry: PO	COVINGTON, KY	1113	293	241	201	378	26%	22%	18%	34%
441	Entry: PO	CLEVELAND, OH	861	454	245	92	70	53%	28%	11%	8%
452	Entry: PO	CINCINNATI, OH	2037	774	626	342	295	38%	31%	17%	14%
482	Entry: PO	DETROIT, MI	1421	763	356	167	135	54%	25%	12%	10%
531	Entry: PO	ELKHORN, WI	666	255	224	113	74	38%	34%	17%	11%
532	Entry: PO	AMF MILWAUKEE, WI	146	62	27	23	34	42%	18%	16%	23%
535	Entry: PO	WATERLOO, WI	934	475	287	100	72	51%	31%	11%	8%
Total			53965	25891	14717	7105	6252	48%	27%	13%	12%

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NDU 18 '97 11:29 FR CRAIN COMMUNICATIONS 313 446 1650 TO 914109929540

P.14

RED TAG NEWS PUBLICATIONS ASSOCIATION
CONSOLIDATED ENTRY STATISTICS
FOR PERIOD 1/02/95 - 12/11/95

DATE RUN 11/13/97
PG # 3

			Monitors	On	1 Day	2 Day	3 +	On	1 Day	2 Day	3 +
			Reports	Time	Late	Late	Late	Time	Late	Late	Late
551	Entry: PO	ST. PAUL, MN	613	237	204	112	60	39%	33%	18%	10%
600	Entry: PO	PALATINE, IL	1037	555	251	109	122	54%	24%	11%	12%
601	Entry: PO	FOREST PARK, IL	2642	830	898	521	393	31%	34%	20%	15%
604	Entry: PO	SOUTH SUBURBAN, IL	813	382	214	105	112	47%	26%	13%	14%
606	Entry: PO	CHICAGO, IL	14507	5609	4011	2660	2227	39%	28%	18%	15%
631	Entry: PO	ST. LOUIS, MO	633	235	218	95	85	37%	34%	15%	13%
641	Entry: PO	KANSAS CITY, MO	1744	277	457	436	574	16%	26%	25%	33%
701	Entry: PO	AMF NEW ORLEANS, LA	412	69	188	74	81	17%	46%	18%	20%
741	Entry: PO	AMF TULSA, OK	312	79	110	85	38	25%	35%	27%	12%
752	Entry: PO	DALLAS, TX	4141	1250	1446	914	531	30%	35%	22%	13%
770	Entry: PO	AMF HOUSTON, TX	2267	808	781	405	273	36%	34%	18%	12%
802	Entry: PO	DENVER, CO	3098	1427	967	390	314	46%	31%	13%	10%
841	Entry: PO	SALT LAKE CITY, UT	103	15	32	39	17	15%	31%	38%	17%
850	Entry: PO	AMF PHOENIX, AZ	725	255	284	118	68	35%	39%	16%	9%
900	Entry: PO	AMF LOS ANGELES, CA	8308	4198	2180	1092	838	51%	26%	13%	10%
903	Entry: PO	INGLEWOOD, CA	472	304	94	34	40	64%	20%	7%	8%
908	Entry: PO	LONG BEACH, CA	56	46	6	4	0	82%	11%	7%	0%
911	Entry: PO	PASADENA, CA	224	160	39	12	13	71%	17%	5%	6%
914	Entry: PO	VAN NUYS, CA	187	141	33	8	5	75%	18%	4%	3%
918	Entry: PO	ALHAMBRA, CA	208	187	12	3	6	90%	6%	1%	3%
921	Entry: PO	SAN DIEGO, CA	331	232	69	17	13	70%	21%	5%	4%
927	Entry: PO	SANTA ANA, CA	183	138	42	1	2	75%	23%	1%	1%
941	Entry: PO	AMF SAN FRANCISCO, CA	4506	2559	1236	423	288	57%	27%	9%	6%
946	Entry: PO	OAKLAND, CA	588	397	141	24	26	68%	24%	4%	4%
949	Entry: PO	NORTH BAY, CA	126	84	33	3	6	67%	26%	2%	5%
951	Entry: PO	SAN JOSE, CA	452	335	85	25	7	74%	19%	6%	2%
968	Entry: PO	HONOLULU, HI	149	45	51	26	27	30%	34%	17%	18%
972	Entry: PO	PORTLAND, OR	225	64	94	45	22	28%	42%	20%	10%
981	Entry: PO	AMF SEATTLE, WA	3159	1382	1077	475	225	44%	34%	15%	7%
	PO	Total	104671	47111	29701	15244	12615	45%	28%	14%	12%

Total 106182 48189 29969 15359 12665 45% 28% 14% 12%

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Direct Testimony of Joyce McGarvy
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